

December 10, 2008

Via E-Mail and USPS

Ms. Clare Laufenberg Gallardo  
Strategic Transmission Investment Program  
1516 Ninth Street, MS-46  
California Energy Commission  
Sacramento, CA 95814-5512

Subject: SCEs Comments on the RETI Phase 1B Draft Report,  
dated December 5, 2008

Dear Ms. Laufenberg Gallardo:

Southern California Edison (SCE) appreciates the opportunity to comment on the RETI Phase 1B Draft Report (Draft Report) issued December 5, 2008. Below, SCE addresses specific areas of the Draft Report that require modification.

First, on page ES-5, the last sentence in the first paragraph following Table ES-1 states:

*"CREZ will be evaluated in greater detail in RETI Phase 2."*

This seems like an incomplete statement. It should read:

*"CREZ economics will be evaluated in greater detail in RETI Phase 2."*

Second, the x-axis (representing Relative Environmental Concern) for Figure ES-1 is currently truncated at a value of 12. In the second full paragraph on page ES-11, the draft report states that

*"CREZs in the upper right received relatively poor ranking scores in both assessments. These 14 CREZs have an estimated energy potential of 53,600 GWh/yr. **Four of these had environmental ranking scores higher than 12 and are shown on the edge of the chart.**"*

It is not clear what value is gained by not expanding the axis to 17 or even 20. It almost seems as if the axis is truncated to make some CREZs appear environmentally better than they in fact are. SCE recommends expanding this axis to show the full scope of the rated environmental concerns for each and every CREZ rated. If this recommendation is included in the report, the bolded statement above could be deleted from the report.

Third, on page 1-7 and 1-8 the current draft report added the following statements:

*Non-CREZ resources have an important advantage over CREZ resources in that they are not reliant on large-scale transmission planning to be integrated into the system. For this reason they may be able to be brought on-line faster and at lower cost than CREZ resources.*

In our comments on the November 5 draft of the Phase 1B Report, SCE stated that:

*SCE believes that this discussion may be overstated since many of the identified sites may not be capable of interconnecting 20 MW of solar generation for various reasons. The circuits in the substations to which the Draft Report assumes the distributed PV projects are interconnected must not be loaded beyond some reasonable level of generation based on their minimum expected loads and these loads were not considered by B&V in this analysis. Therefore a more conservative estimate should be expressed or at least mentioned in this section due to loading and/or circuit protection concerns.*

We believe this caveat should be mentioned in concert with the addition that was made to this section of the report.

Finally, on page 3-6 of the draft report, the following comment was added to the section titled **Limitations of the Project Identification Process**

*In certain CREZs, a large fraction of the projects modeled are “proxy” projects. This indicates that there is limited known commercial interest in the CREZ, and the viability of development within these areas should be further reviewed. It may be that there is development activity is actually occurring, but the developer has chosen not to make this public as part of the RETI process. A summary of the amount of proxy projects in each area is provided in Section 4.*


SCE believes that this should be modified to read:

*In certain CREZs, a large fraction of the projects modeled are “proxy” projects. This indicates that there is limited known commercial interest in the CREZ, and the viability of development within these areas should be further reviewed. It may be that there is development activity is actually occurring, but the developer has chosen not to make this public as part of the RETI process. In contrast, however, there may not be any developer interest in this area for other unidentified reasons. A summary of the amount of proxy projects in each area is provided in Section 4.*

Ms. Clare Laufenberg Gallardo  
Strategic Transmission Investment Program  
California Energy Commission  
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Thank you very much for your consideration of these comments. Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Allen", with a stylized, cursive script.

Gary Allen

cc: Black & Veatch (Ryan Pletka): PletkaRJ@bv.com  
Black & Veatch (Tim Mason): MasonT@bv.com  
RETI Coordinating Committee Members  
RETI Stakeholder Steering Committee Members